

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 92-357-E - ORDER NO. 92-850 ✓

SEPTEMBER 30, 1992

IN RE: Commission Staff Request for a)	
Proceeding to Address Carolina)	ORDER ADDRESSING
Power & Light Company's Operation)	INFORMAL HEARING
of the Brunswick Steam Electric)	
Plant.)	

This matter is before the Public Service Commission of South Carolina (the Commission) after an informational hearing held to address the performance, operation, and maintenance of Carolina Power & Light Company's (CP&L's or the Company's) Brunswick Steam Electric Plant (BSEP). More specifically, the hearing addressed the events, circumstances, and effect of the outage which began at the BSEP on April 21, 1992, and whether or not the Commission should conduct a further hearing to consider remedial action against CP&L. See Order No. 92-608 (July 27, 1992). This hearing was ordered by Order No. 92-520 (July 9, 1992) after the Commission Staff (the Staff) filed a Petition which stated the BSEP had been taken out of service in April 1992 and would likely remain out of service for an indefinite period of time.

The informational hearing was held on August 25, 1992, beginning at 11:00 A.M. at the Offices of the Commission. The Honorable Rudolph Mitchell, Vice-Chairman, presided. William F. Austin, Esquire, and Len S. Anthony, Esquire, represented CP&L; Steven W. Hamm, Esquire, Nancy Vaughn-Coombs, Esquire, and Elliott F. Elam, Jr., Esquire, represented the Consumer Advocate for the State of South Carolina (the Consumer Advocate); and Gayle B. Nichols, Staff Counsel, represented the Staff. CP&L presented Sherwood H. Smith, Jr. and Robert B. Richey as witnesses. These witnesses were cross-examined by the Consumer Advocate and the Commission Staff.

By Order No. 92-608, the Commission specifically held it would not make any findings, other than whether or not an adversarial hearing should be held, "unless and until such a hearing is held." Consequently, while the Commission has fully considered the testimony presented by CP&L's witnesses, it will not recite particular findings of fact in this Order. Nonetheless, the Commission recognizes that Mr. Smith testified "we [CP&L] took the plant out of service on April 21st after discovering a potentially serious situation involving the installation of anchor bolts in the walls of the diesel generator building." TR. p. 12, lines 7-11. Mr. Smith further testified that CP&L planned to return Unit 2 back to service in November 1992 and to return Unit 1 back to service in late December. TR. p. 17, lines 14-17.

The Consumer Advocate and Nucor Steel, A Division of Nucor Corporation (Nucor), filed post-hearing comments which addressed the various alternatives available to the Commission as a result of the hearing.¹ Nucor stated the Commission could either address the BSEP issues "as they arise in various proceedings" or, "establish a special independent adversarial proceeding to consider all issues...related to the Brunswick plant...". Nucor, Comments p. 2. The Consumer Advocate recommended that "in an abundance of caution, the Commission may wish to defer any decreases in rates at the present time. However, if the Company has not restarted Brunswick 2 by November and Brunswick 1 by December, the Commission should require the Company to appear and show why its rates should not be decreased." Consumer Advocate, Comments p. 10.

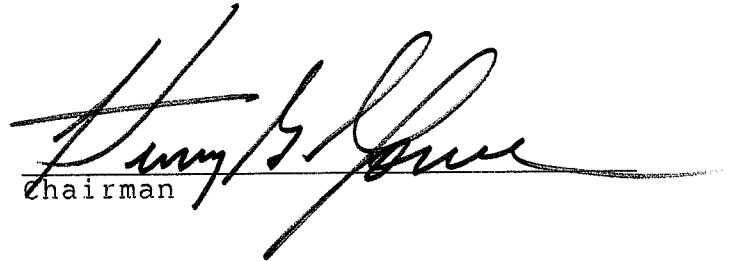
After consideration of the testimony presented by CP&L regarding its performance, operation, and maintenance of its BSEP and, more particularly, the events, circumstances, and effect of the outage which began at the BSEP on April 21, 1992, and after consideration of the comments submitted by the Consumer Advocate and Nucor, the Commission has concluded that, at the present time, an adversarial proceeding is not necessary, other than the statutory fuel proceeding, to address whether remedial action

1. By Order No. 92-608, the Commission allowed interested parties to submit recommendations at the conclusion of the hearing.

should be taken against CP&L. The Commission, however, specifically reserves the right to revisit this issue should BSEP Units 1 and 2 not return to service in late December and November, 1992, respectively, as testified to by Mr. Smith.

IT IS SO ORDERED.

BY ORDER OF THE COMMISSION:


Chairman

ATTEST:


Executive Director

(SEAL)